

**TECHNICAL REVIEW AND EVALUATION OF  
APPLICATION FOR AIR QUALITY CONTROL PERMIT  
FOR CONSTRUCTION OR MODIFICATION**

PERMITTEE: Tucson Electric Power Company	APP. RECVD. DATE: 4/25/2005
ADDRESS: PO Box 711, Mail Stop UE204 Tucson, AZ 85702	PERMIT NO: 36243
	NEW SOURCE: _____NO_____
EQUIPMENT LOCATION: 10 miles north of Springerville Springerville, Apache County, AZ, 85938	RENEWAL: _____NO_____
	TITLE V SOURCE: _____Yes_____
	PORTABLE: _____
PERMIT ENGINEER: ayl	PERMIT CLASS: I

APPLICABLE REGULATION	CONDITION	MEETS CONDITION			SEE RMK NO	RVWD BY
		YES	NO	N/A		
R18-2-326	<b>A. ADMINISTRATION</b> 1. Have all applicable fees been paid?	X				ayl
Appendix 1 R18-2-304.E	2. Has a complete application been submitted? (attach completeness checklist)	X				ayl
R18-2-304.G	3. Has additional information necessary to address any requirements which became effective after the application was filed been submitted? (if applicable)			X		ayl
R18-2-330.B	4. Has notice of receipt of a complete application for a new major source or a major modification been provided to the public? (if applicable)			X		ayl
R18-2-307.A	5. Has a copy of the complete application been submitted to the EPA for review (only required if the application is for a Class I permit)?	X				ayl
R18-2-305	6. Confidentiality a. If portions of the application were submitted with a notice of confidentiality, has the applicant been notified as to the Director's confidentiality determination?			X		ayl

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		YES	NO	N/A		
	b. If portions of the application have been determined by the Director to be confidential, has a notice of confidentiality been included in the file?			X		ayl
R18-2-101.60 and 61	7. Is the source classified as a major source as per R18-2-101.63 or a major modification as per R18-2-101.64?	X			1	ayl
R18-2-101.17 and 73	8. Has the applicant submitted information as to the attainment status of the area in which the facility is to be located?			X		ayl
ARS § 49-402	9. Does the Arizona Department of Environmental Quality have jurisdiction over this source?	X				ayl

Articles 7, 9 and 11	<b>B. <u>AIR POLLUTION CONTROL EQUIPMENT</u></b> 1. Have the parameters of all process equipment which may cause or contribute to air pollution been identified?  2. Have all air releases containing regulated air pollutants (including any hazardous air pollutants) been identified and characterized as to strength, concentration, and type of pollutant?			X		ayl
Articles 7, 9 and 11	3. Has the applicant demonstrated that each emission unit is so designed, controlled, or equipped with such air pollution control equipment that it may be <u>expected</u> to operate without emitting or causing to be emitted air contaminants in violation of A.A.C. Title 18, Chapter 2, Articles 7, 9, and 11? (Attach calculations.)			X		ayl
Article 6	4. Has the applicant demonstrated that each non-point emission unit is so designed, controlled or equipped with such air pollution control equipment that it may expect to comply with requirements of Article 6 emissions from existing and new non-point sources?			X		ayl
Articles 7, 9 and 11	5. Has the source demonstrated that proposed positive control techniques can be maintained at full operational capacity? (Attach calculations.)			X		ayl
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Articles 6, 7 & 9	<b>C. <u>REGULATORY SUMMARY</u></b> 1 Has the applicant supplied sufficient material to demonstrate that emission standards can be met for the following:					
	a. Visible emissions			X		ayl
	b. Particulate emissions			X		ayl
	c. Sulfur dioxide emissions			X		ayl
	d. Total sulfur emissions			X		ayl
	e. Volatile organic compounds			X		ayl
	f. NO <sub>x</sub> emissions			X		ayl
	g. Other pollutants _____			X		ayl
Article 11	2. Has the applicant demonstrated the emissions from the facility are such that they will meet hazardous air pollutant standards?			X		ayl
Article 2	3. Has the applicant submitted sufficient material to demonstrate that ambient air quality standard guidelines can be met for the following:			X		ayl
	a. Sulfur dioxide			X		ayl
	b. Ozone			X		ayl
	c. Carbon monoxide			X		ayl
	d. Nitrogen dioxide			X		ayl

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	e. Lead			X		ayl
	f. PM <sub>10</sub>			X		ayl
	g. Other Pollutants _____			X		ayl
R18-2-309.2	Does the permit contain a requirement for the submittal of compliance certifications (at least annually)?	X				ayl
R18-2-309.5	Does the permit contain a compliance plan which outlines the procedures used to comply with all requirements and specifies the means for demonstrating compliance?			X		ayl
R18-2-306.3, 4	Does the permit contain sufficient monitoring, reporting and recordkeeping requirements to determine whether or not the source is in compliance at any time?			X		ayl
R18-2-403 R18-2-401.8	<b><u>E. NON-ATTAINMENT AREA CRITERIA</u></b> 1. Has the applicant demonstrated the ability to comply with the lowest achievable emission rate (LAER)?			X		ayl
R18-2-403	2. Has the applicant certified that all other installations owned by him are in compliance with all permit conditions?			X		ayl
R18-2-404	3. Has the applicant demonstrated sufficient emissions reductions from an allowable offset?			X		ayl
R18-2-218	4. Has the applicant demonstrated that concentrations of any pollutant do not exceed the applicable increase over baseline concentration in any attainment area?			X		ayl
R18-2-403	5. Has the applicant performed and submitted an analysis of alternate sites for V.O.C. or carbon monoxide sources?			X		ayl
R18-2-406	<b><u>F. SIGNIFICANT DETERIORATION CRITERIA</u></b> 1. Has the applicant demonstrated the ability to meet the best available control technology (BACT) for each pollutant that it would have the potential to emit in significant amounts?			X		ayl

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R18-2-406, 407	2. Has the applicant performed and submitted a satisfactory air impact analysis?			X		ayl
R18-2-406, 407, 402	3. Has the applicant demonstrated that the increase in allowable emissions will not impact any Class I area?			X		ayl
R18-2-406	4. Has the applicant demonstrated that the ambient air increments for all applicable pollutants, and applicable area class, will not be exceeded?			X		ayl
R18-2-101.69	<b><u>G. NETTING OUT OF THE CLASS I PERMIT</u></b> 1. Does the source meet the criteria for no net emissions increase?			X		ayl
	2. Are the actual emission calculations based on emissions in the two-year period that immediately preceded the date of permit application?			X		ayl
	3. Are potential emissions after the proposed modification based on maximum capacity proposed in the application?			X		ayl

**TECHNICAL REVIEW AND EVALUATION  
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REMARKS**

<b>REMARK NUMBER</b>	<b>REMARKS</b>	<b>RECVD BY</b>
1.	<p>A Significant Permit Revision application was submitted to change the date by which Unit 4 must be operational from December 31, 2009 to December 31, 2012. As a result of delaying the operational date, EPA Region IX and Salt River Project (SRP), the sole owner of Unit 4, have negotiated a reduced station emission cap for SO<sub>2</sub> of 10,662 tons per year and a reduced emission cap for NO<sub>x</sub> of 8,940 tons per year.</p> <p>In order to meet the requirement to continue construction after completion of construction of Unit 3 with no more than an 18 month break (A.A.C.R18-2-402.D.4), it is the Department's understanding that for Unit 4 the Permittee will, within 18 months of the completion of construction of Unit 3, begin site grading, installation of water supply lines, and either enter into an EPC contract for Unit 4's construction or commit to the purchase of major equipment with significant penalties for cancellation.</p>	ayl